

Registration number: OC356808

HOOK NORTON VETERINARY GROUP LLP
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

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COMPANIES HOUSE

HOOK NORTON VETERINARY GROUP LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated members

S F Glanvill
G Jennings
S Baldwyn
S Cutts
W Oldham
S W Potter

Registered office

White Hills Surgery
Sibford Road
Hook Norton
Banbury
Oxon
OX15 5DG

Accountants

Hazlewoods LLP
Staverton Court
Staverton
Cheltenham
GL51 0UX

HOOK NORTON VETERINARY GROUP LLP

(REGISTRATION NUMBER: OC356808)
BALANCE SHEET AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	4	80,029	85,769
Tangible assets	5	520,396	450,813
Investments	6	10,000	10,000
		<u>610,425</u>	<u>546,582</u>
Current assets			
Stocks		219,202	197,534
Debtors	7	919,769	836,694
Cash and short-term deposits		<u>392,796</u>	<u>449,174</u>
		1,531,767	1,483,402
Creditors: Amounts falling due within one year	8	<u>(837,440)</u>	<u>(621,191)</u>
Net current assets		<u>694,327</u>	<u>862,211</u>
Total assets less current liabilities		1,304,752	1,408,793
Creditors: Amounts falling due after more than one year	9	<u>(104,091)</u>	<u>(120,880)</u>
Net assets attributable to members		<u>1,200,661</u>	<u>1,287,913</u>
Represented by:			
Total members' interests			
Loans and other debts due to members		1,120,661	1,207,913
Equity		<u>80,000</u>	<u>80,000</u>
		<u>1,200,661</u>	<u>1,287,913</u>

HOOK NORTON VETERINARY GROUP LLP

**(REGISTRATION NUMBER: OC356808)
BALANCE SHEET AS AT 31 AUGUST 2019 (CONTINUED)**

For the year ending 31 August 2019 the Limited Liability Partnership was entitled to exemption from audit under section 477 of the Companies Act 2006 (as applied to Limited Liability Partnerships (Accounts and Audit) (Application of Companies Acts 2006) Regulations 2008) relating to small entities.

The members acknowledge their responsibility for complying with the requirements of the Companies Act 2006 (as applied to Limited Liability Partnerships) with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with the provisions applicable to LLPs subject to the small LLPs regime.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime, as applied to limited liability partnerships, and the option not to file the Profit and Loss Account has been taken.

The financial statements of Hook Norton Veterinary Group LLP (registered number OC356808) were approved by the Board and authorised for issue on 07/09/2020. They were signed on behalf of the Limited Liability Partnership by:

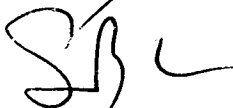
S F Glanvill
Designated member



G Jennings
Designated member



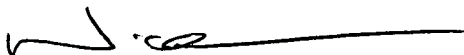
S Baldwyn
Designated member



S Cutts
Designated member



W Oldham
Designated member



S W Potter
Designated member



The notes on pages 4 to 12 form an integral part of these financial statements.
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HOOK NORTON VETERINARY GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Statement of Recommended Practice (SORP), Accounting by Limited Liability Partnerships (issued January 2017).

General information and basis of preparation

The limited liability partnership is incorporated in England and Wales under the Limited Liability Partnership Act 2000. The address of the registered office is given on the limited liability partnership information page. The nature of the limited liability partnership's operations and its principal activities are given in the members' report.

The financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is the UK £, rounded to the nearest £1, being the functional currency of the primary economic environment in which the LLP operates.

Going concern

After reviewing the LLP's forecasts and projections, the designated members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. The LLP therefore continues to adopt the going concern basis in preparing its financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the LLP's accounting policies, the designated members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements

No significant judgements have been made by management in preparing these financial statements.

Key sources of estimation uncertainty

No key sources of uncertainty have been identified by management in preparing these financial statements other than those detailed in these accounting policies.

Revenue recognition

Revenue is recognised to the extent that the Limited Liability Partnership obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales tax or duty.

The LLP recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits can be reliably measured, and it is probable that future economic benefits will flow to the entity. Revenue from the sale of goods is recognised when the risks and rewards of ownership are transferred to the customer. Revenue from services is recognised in the accounting periods in which the services are rendered.

HOOK NORTON VETERINARY GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies (continued)

Members' remuneration and division of profits

A member's share of the profit or loss for the year is accounted for as an allocation of profits.

The profits of the LLP are automatically divided amongst the members in accordance with the agreed profit sharing arrangements.

Taxation

The taxation payable on the LLP's profits is the personal liability of the members, although payment of such liabilities is administered by the LLP on behalf of its members. Consequently, neither partnership taxation nor related deferred taxation is accounted for in these financial statements. Sums set aside in respect of members' tax obligations are included in the balance sheet within loans and other debts due to members, or are set against amounts due from members as appropriate.

Goodwill

Goodwill is the difference between the fair value of consideration paid for an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities.

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Intangible assets

Intangible assets are initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	Straight line over 20 years

This is the period over which the members expect to derive economic benefit from the acquisitions.

HOOK NORTON VETERINARY GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies (continued)

Tangible fixed assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, except freehold land, over their expected useful lives, less any residual value, as follows:

Asset class	Depreciation method and rate
Long leasehold property	Over the term of the lease
Short leasehold property	Over the term of the lease
Plant and machinery	15% of written down value
Fixtures and fittings	10% of written down value
Motor vehicles	25% of written down value
Office equipment	33.3% of cost

Fixed asset investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO) method. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Trade debtors

Trade debtors are amounts due for goods sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the LLP will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the limited liability partnership does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

HOOK NORTON VETERINARY GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies (continued)

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the partnership has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Borrowing costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

Hire purchase and leasing

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the LLP has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

HOOK NORTON VETERINARY GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies (continued)

Financial instruments

Classification

The LLP enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other receivables and payables, loans from related parties and investments in non-puttable ordinary shares.

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the LLP after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the LLP is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and Measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Impairment of financial assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

2 Information in relation to members

	2019 No.	2018 No.
Average number of members during the year	<u>6</u>	<u>6</u>

3 Staff numbers

The average number of persons employed by the LLP during the year, was as follows:

	2019 No.	2018 No.
Average number of employees	<u>83</u>	<u>79</u>

HOOK NORTON VETERINARY GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Intangible fixed assets

	Goodwill £	Total £
Cost		
At 1 September 2018	<u>114,771</u>	<u>114,771</u>
At 31 August 2019	<u>114,771</u>	<u>114,771</u>
Amortisation		
At 1 September 2018	29,002	29,002
Charge for the year	<u>5,740</u>	<u>5,740</u>
At 31 August 2019	<u>34,742</u>	<u>34,742</u>
Net book value		
At 31 August 2019	<u>80,029</u>	<u>80,029</u>
At 31 August 2018	<u>85,769</u>	<u>85,769</u>

HOOK NORTON VETERINARY GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 Tangible fixed assets

	Long leasehold land and buildings £	Short leasehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Office equipment £	Total £
Cost							
At 1 September 2018	163,499	17,763	451,493	42,128	81,795	63,627	820,305
Additions	15,422	29,363	85,845	479	7,445	21,373	159,927
Disposals	-	(5,857)	(18,964)	(986)	(1,024)	(30,457)	(57,288)
At 31 August 2019	178,921	41,269	518,374	41,621	88,216	54,543	922,944
Depreciation							
At 1 September 2018	64,261	15,090	221,438	19,092	9,125	40,486	369,492
Charge for the year	6,742	2,393	39,306	2,320	19,254	14,769	84,784
Eliminated on disposals	-	(5,175)	(14,539)	(608)	(948)	(30,458)	(51,728)
At 31 August 2019	71,003	12,308	246,205	20,804	27,431	24,797	402,548
Net book value							
At 31 August 2019	107,918	28,961	272,169	20,817	60,785	29,746	520,396
At 31 August 2018	99,238	2,673	230,055	23,036	72,670	23,141	450,813

HOOK NORTON VETERINARY GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6 Investments held as fixed assets

	2019 £	2018 £
Other investments	<u>10,000</u>	<u>10,000</u>

Other investments

	Unlisted investments £	Total £
Cost		
At 1 September 2018	<u>10,000</u>	<u>10,000</u>
At 31 August 2019	<u>10,000</u>	<u>10,000</u>
Net book value		
At 31 August 2019	<u>10,000</u>	<u>10,000</u>
At 31 August 2018	<u>10,000</u>	<u>10,000</u>

7 Debtors

	2019 £	2018 £
Trade debtors	735,870	712,927
Other debtors	97,569	44,052
Prepayments and accrued income	<u>86,330</u>	<u>79,715</u>
	<u>919,769</u>	<u>836,694</u>

8 Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	17,623	17,623
Trade creditors	340,289	337,129
Other creditors	209,890	2,335
HP liability	27,582	28,619
Accruals and deferred income	37,549	34,534
Taxation and social security	<u>204,507</u>	<u>200,951</u>
	<u>837,440</u>	<u>621,191</u>

HOOK NORTON VETERINARY GROUP LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 Creditors: Amounts falling due within one year (continued)

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the limited liability partnership:

	2019 £	2018 £
Bank loans	17,623	17,623
Hire purchase	27,582	28,619
	<u>45,205</u>	<u>46,242</u>

9 Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Bank loans and overdrafts	68,357	87,888
Hire purchase liability	35,734	32,992
	<u>104,091</u>	<u>120,880</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the limited liability partnership:

	2019 £	2018 £
Bank loans	68,357	87,888
Hire purchase	35,734	32,992
	<u>104,091</u>	<u>120,880</u>

Included in the creditors are the following amounts due after more than five years:

	2019 £	2018 £
After more than five years by instalments	<u>-</u>	<u>10,398</u>

10 Financial commitments

Operating leases

The total of future minimum lease payments is as follows:

	2019 £	2018 £
Not later than one year	101,237	85,497
Later than one year and not later than five years	218,936	252,761
Later than five years	294,000	336,000
	<u>614,173</u>	<u>674,258</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £104,147 (2018 - £88,293).